

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget Estimates 2019–20 (Public Transport)

Melbourne—Wednesday, 12 June 2019

MEMBERS

Mr Philip Dalidakis—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Ingrid Stitt

Ms Bridget Vallenge

WITNESSES

Ms Melissa Horne, Minister for Public Transport,

Mr Paul Younis, Secretary,

Mr Michael Hopkins, Deputy Secretary, Policy and Reform, Department of Transport; and

Mr Jeroen Weimar, Chief Executive Officer, Public Transport Victoria.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee for this afternoon. We have the Honourable Melissa Horne, Minister for Public Transport, and her officials at the table.

On behalf of the Parliament, the committee is conducting this inquiry into the 2019–20 Budget Estimates. Its aim is to continue to scrutinise public administration and finance to improve outcomes for the Victorian community.

All evidence given is protected by the Parliamentary Committees Act. This means that it attracts parliamentary privilege and is protected from judicial review. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

Minister, I invite you to make a brief opening statement or presentation of no more than 10 minutes, followed by insightful questions from us, not so insightful from others. Minister, over to you.

Ms HORNE: Thank you very much, Chair. I would like to acknowledge the traditional owners of the land on which we meet and pay my respects to elders past, present and emerging.

Today is a great opportunity to share with the committee the government's first budget this term as it relates to public transport. Right now Melbourne's transport network handles 17.4 million trips a day. By 2051 our experts tell us, it will have to cope with 30.3 million trips a day across all modes—be it car, train, tram, bus or bikes. This growth places enormous demands on the public transport network, and that is why we are transforming the way people move around the network. This year's budget continues to build on the work of the first term of the Andrews Labor government. Our investment meet these demands, whether it is by making our public transport network more accessible and reliable for passengers, building new trams and trains, adding more train and bus services or investing in new technology.

Visual presentation.

Ms HORNE: The key aspect of my portfolio is putting passengers at the heart of every investment we make in public transport infrastructure. Whilst over the last four years we have made an unprecedented investment in new and upgraded infrastructure, ultimately it is to deliver benefits to passengers as we face the challenges of moving more people around our network. That is why this year's budget has \$128.5 million to operate and maintain new and upgraded stations and supporting infrastructure, including CCTV, Myki machines and passenger information. We are also ensuring passengers can access train stations, with our \$150 million investment in car parks. This work will range from sealing existing car spaces to the construction of entirely new car parks. This is on top of the 10 000 car parks that we built in our first four years.

While we are boosting the number of car parks across Victoria's train stations, we are also helping passengers get to and from stations and around their community by investing \$205.1 million in more train and bus services. More than 117 million metropolitan trips and over 12 million regional trips were taken by bus last financial year. We know that buses play a vital role in linking communities with train stations, allowing passengers to leave their cars at home. With Melbourne and some of our regional cities experiencing rapid growth, it is vital to provide public transport that can easily be deployed without an associated major infrastructure build. A further \$10 million has been committed to provide much-needed bus services for outer growth suburbs, where we have upgraded or extended train services, such as Mernda or regional communities. We have invested close to \$190 million in realigning bus routes, removing the duplication of services and adding new and extended services into new estates and new suburbs since 2015. We are continuing to modernise and improve our tram

network by improving the reliability of Melbourne's existing fleet as well as adding new trams: \$18.6 million in upgrades to the existing fleet will allow more trams to run on the network; 10 more locally built E-class trams will take Melbourne's fleet of new trams to 100, reducing crowding and supporting Victorian jobs. We will add these new trams to two of our busiest routes. We are also committed to progressively replacing existing stops to ensure compliance with commonwealth and state government legislation and to ensure our network provides equal access and opportunity for people living with a disability.

We are using technology to keep people staying safe and connected while they are on the go: \$83 million will enable Metro train drivers to communicate critical information such as accidents or illnesses on a train, maintaining safety and helping minimise delays. We are also using technology that passengers have in their hands—that is, their smartphones. Passengers will be able to keep their phones charged with 160 free mobile charging ports at Richmond, South Yarra, North Melbourne and all city loop stations. We have seen a massive take-up of mobile Myki, with nearly 100 000 users adopting the technology in the last two months, and a \$1 million investment this budget will see the development of mobile Myki for other smartphone platforms.

The budget is boosting public transport services and getting Victorians to where they need to go. Our metropolitan train networks supported 244.8 million trips in the last year. Minister Allan outlined earlier today the importance of the Andrews government infrastructure pipeline. And we are not only investing in big infrastructure builds, we are also getting on with renewing our network and supporting those who operate it. Our new operators' contracts will see a record level of investment in maintenance and renewal works across the budget, and this year's budget allocated \$111 million to recruit, train and upskill more train drivers in order to deliver more services more often, particularly the new high-capacity metro trains.

Victoria's regional communities have seen unprecedented growth which has increased the demand for V/Line services. The number of trips taken on regional train services continued to grow in the last financial year and we are carrying almost 44 per cent more passengers compared to 2015. The growth has occurred at regional stations within the urban growth boundary on the Geelong, Ballarat and Seymour lines—for example, at Wyndham Vale and Tarneit. Three hundred and forty million dollars for new VLocity trains will help meet this demand as we build 18 new three-car sets to be rolled out on the Ballarat, Geelong and north-east lines. For the first time we will commission standard-gauge VLocity trains, and that means passengers on the north-east line will have VLocitys for the first time under this government.

The other critical investment is \$27 million for V/Line to maintain the regional rail network. This funding is critical for the ongoing provision of a safe and reliable regional rail network. As the regional rail network gets busier and demand for service increases, so does the need to undertake additional maintenance of our trains at new stabling locations. Stabling and maintenance facility operations at Wyndham Vale, Ballarat East and South Dynon will support the massive investment in upgrading every regional rail line in Victoria thanks to a \$19 million investment.

Chair, I hope that gives you something of an overview of the key initiatives in this year's budget as they relate to how we are improving services for passengers. This year's budget has had a focus on regional rolling stock to mirror last year's \$2.3 billion investment in new metropolitan trains. It also has a focus on railway station car parks and new bus services, because we know that is what Victorians want. It is a budget that will help make people move around the state much more easily.

The CHAIR: Thank you, Minister, and thank you for being quite prompt and several minutes under your allowable time. We will move straight to questions and the first question will go to Mr Maas.

Mr MAAS: Minister, I would like to take you to the government's investment in mobile Myki and specifically refer you to budget paper 3, page 100. I take you to the line item which is expanding the mobile Myki. Can you please provide an outline on how the government will support the development of mobile Myki to other platforms, and give the committee an update on mobile Myki and its uptake by passengers?

Ms HORNE: Thanks for your question, and you may have actually seen the *Herald Sun* today which reported that we have had nearly 100 000 people with an Android smartphone taking up the use of mobile Myki. This is being used to pay for travel on Victoria's public transport network following the successful launch of it on 28 March this year. As you would be aware, Myki is one of the world's largest smart ticketing

systems, with more than 15 million active cards and 700 million transactions each year. This year's budget continues our investment towards the expansion of mobile Myki on platforms other than Android.

Victoria will be one of the first public transport networks in the world to trial mobile ticketing technology across multiple transport modes on the entire network without the need for new infrastructure or equipment to be built. Basically what it does is it uses this custom-built smartphone app and Near Field Communication technology to integrate with the existing Myki machines. I do not know if any of you have an Android device and have tried it out, but it is actually incredibly easy to use, and you can just go up close to one of the Myki readers and basically tap on using your phone. So this year's budget is part of our ongoing investment in building a modern transport system, and PTV implemented a really extensive trial before going ahead with this. I hope that answers your question.

Mr MAAS: Would you be able to inform the committee what the passenger feedback has been like so far?

Ms HORNE: The passenger feedback has been astonishing. Before we actually went live with the technology we did a number of trials because that actually helped inform and got that feedback along the way to be able to refine it and make sure that we are doing exactly what passengers wanted to see. Passenger feedback and findings from the trial showed almost 90 per cent of users were satisfied with mobile Myki and rated the speed of topping up as either good or very good. The overwhelming success of the public trial gave us confidence that mobile Myki worked and was ready to be made available for all passengers using Android phones. The feedback showed that an overwhelming majority of trial participants were also highly likely to recommend mobile Myki to friends or colleagues, with participants scoring mobile Myki 80 out of 100 for overall satisfaction. Social media and digital channels have been really well received as well.

Mr MAAS: What testing did you go through to ensure the reliability of use for passengers?

Ms HORNE: As I touched on before, we started testing in July last year, and the initial phases of the trial helped work out any of those technical issues before we actually went live. The first stage saw a limited industry-based test group of users on Android devices before extending it to a wider public test group. Passengers using mobile Myki for the first phase of the trial were able to top up in a matter of seconds without having to queue at a ticket machine. It was trialled across the Myki network and across all public transport modes using existing infrastructure and equipment. I can remember calling for participants during that second stage and it was overwhelming. In a matter of days we had reached that 4000 threshold for a test group that we were looking for and there were people still actively wanting to get involved. So the overwhelming success of that public trial gave us the confidence to then roll it out and go live with it.

Mr MAAS: Look, I think it is an excellent program that is being rolled out, and it certainly makes sense, given that everyone has a mobile device with them. I myself am an Apple user and have not been able to participate in the government's trial. Are there any plans foreshadowed to expand Myki potentially to other platforms?

Ms HORNE: Absolutely. Look, I have to confess, I too am an Apple user. What we are actually hearing anecdotally is people are picking up—like, actually going and buying—cheap Android handsets so they can avail themselves of the technology.

Mr RIORDAN: Is that the solution?

Ms HORNE: Sorry?

Mr RIORDAN: Is that the solution, you have got to have two phones?

Ms HORNE: No, it is not at all, but it is a little bit of a workaround, and I suppose it is a case in point of how people use adaptive technology to be able to move around.

Mr RIORDAN: I am just interested in new technology—buy two phones.

Mr MAAS: Please, Minister, you can continue your answer.

Ms HORNE: Look, sorry, as I was saying, we have got \$1 million in this year's budget because—and I appreciate, as I think everyone sitting here, by the sounds of it, is an Apple user—we would like to extend it to more people across the network, and that is why this million dollars will be used so that PTV can continue discussions with other smartphone providers. Those technical assessments are being carried out to make Mobile Myki available on other types of phones. I think we are really excited about Mobile Myki, as in fact are many people. As I mentioned before, we have got the article in the *Herald Sun* that you may have seen from today where we have got the overwhelming endorsement of 100 000 people using Mobile Myki.

Mr RIORDAN: Including the ones buying an extra phone.

Ms HORNE: Excuse me?

Mr RIORDAN: Including the ones buying the extra phone?

Ms HORNE: That is the beauty about technology; it is so cheap these days, isn't it?

Ms VALLENCE: The taxpayers will be paying Apple.

Mr RIORDAN: Ten dollars for a Myki card, \$70 for another phone.

The CHAIR: Deputy Chair, you will get your time. Just be patient. It is a virtue that you seem to miss, but it is still a virtue.

Ms HORNE: As I said, we are really excited about Mobile Myki, and we want to keep working to make it available to everyone who wants to use it. We will keep people informed of how these discussions and assessments continue. It is important that we get the technology right, that we make sure that the platforms are actually right and it is as accessible as possible for people using it on the system. Certainly though, as I say, the implementation is running really smoothly, and the 100 000 people have been—

The CHAIR: Minister, sorry to interrupt, we do need to move to Ms Vallence, who has the call.

Ms HORNE: Sure.

Ms VALLENCE: Thank you, Minister, and officers for appearing. Minister, we will get stuck into budget paper 3, page 339, and more specifically the eighth performance measure listed on that page, 'Transport safety regulation—rail safety audits/compliance inspections conducted in accordance with legislative requirements'. Now, we can all agree that public safety and integrity are of paramount importance, so, Minister, can you please confirm that you have met the statutory requirements. What do the audits involve and their frequency, and for the requisite compliance inspections, have they been completed and at what frequency?

Ms HORNE: Look, as you would be aware, Transport Safety Victoria undertakes transport safety audits of those sorts of incidents. That is a body that reports directly to Parliament, and that has been a longstanding bipartisan report. But I can actually get Jeroen to take you through any of the specifics, if you are after some specifics.

Ms VALLENCE: That is right. Public safety audits are what we are after. So have you met your statutory requirements as listed in the budget paper? That is a performance requirement in there. What do the audits involve—the frequency, compliance inspections and the frequency of those? Whose is it? Mr Weimar?

Mr YOUNIS: We will have to take that on notice, that question.

Ms VALLENCE: Take that on notice? Thank you. Can you give an assurance that as part of that—if you need to take it on notice, but we would hope that today you might be able to give us an assurance—that all statutory requirements, audits and compliance inspections have been conducted and that our rail track system is compliant and safe?

Ms HORNE: As I said before, we do take safety obviously very seriously.

Ms VALLENCE: So have you cut on any safety measures?

Ms HORNE: Sorry, what was that?

Ms VALLENCE: Have you cut any safety measures, as it seems to be outlined in budget paper 3, page 339?

Ms HORNE: Look, I might defer to Michael Hopkins to actually take you through the process of undertaking those safety audits.

Ms VALLENCE: Specifically, have you cut on any safety measures?

Mr HOPKINS: So this is the rail safety audits compliance inspections? Is that the measure?

Ms VALLENCE: Yes, transport safety regulation, the eighth measure down the page.

Mr HOPKINS: Yes. This is a measure on Transport Safety Victoria. What it is actually measuring is, are there audits compliant with legislative requirements?

Ms VALLENCE: That is right.

Mr HOPKINS: The answer is, yes, they are.

Ms VALLENCE: Okay.

Mr HOPKINS: If TSV finds out that there is a particular problem, they will report that to either PTV or the minister, depending on that.

Ms VALLENCE: So on that, no reports have been made then to the minister because you are saying that they have all been met?

Mr HOPKINS: There are often reports, but we have not had a report of non-compliance.

Ms VALLENCE: So, Minister, on that very same measure that we were just referring to, why has there been almost 50 per cent less audits and compliance inspections done in the 18–19 period and why is this drop in tracking audits and compliance activity continuing in the 219–20 period?

Ms HORNE: Look, as the secretary has said, we will have to take that on notice.

Ms VALLENCE: You have cut safety, haven't you? You have cut on safety? Can we hear that the tracks are compliant and safe?

Ms HORNE: Look, what I would say is that we are undertaking a massive investment. As you heard from the transport—

Ms VALLENCE: It is a simple question. As commuters, like myself and other commuters right across Victoria, can you confirm that tracks are compliant and safe?

Ms HORNE: Jeroen?

Mr WEIMAR: Speaking on behalf of the operator's side of the business, the Metro train system and the V/Line train system are regulated by the national safety regulator, ONRSR. They are funded separately and they continue to conduct their full range of audits and inspections. We meet with ONRSR on a very regular basis, as do our rail operators who are accredited V/Line and Metro trains under that regime. Transport Safety Victoria is a Victorian-based state regulator that reports directly to Parliament, as the minister has said. They are responsible primarily in the mass transit space for tram and bus safety audits, and again we meet with them on a regular basis to review audits on the tram system. There has been no let-up at all in the intensity of their work program.

Ms VALLENCE: Right. No let-up. Okay. Look, we will move on because what we were really after from the minister was to find out if what we are travelling on is meeting all compliance requirements. You have said you will take that on notice and we will move on. Minister, I refer to budget paper 3, page 332 and the

performance measure there, which is entitled 'Service punctuality for—metropolitan train services'. Public Transport Victoria's data for April 2019 just recently shows that eight out of the 16 train lines failed punctuality performance targets. It is not an isolated performance result. For the last 12 months, from March 2018 to 2019 on average eight out of the 16 lines have failed their punctuality targets—so a 50 per cent fail. Since the setting of the punctuality targets at 92 per cent by the Andrews government—over 13 000 short train trips, over 5500 bypasses and almost 1000 station skips—these results are telling us that there has not been a ban on skipping and not been a crackdown on the bypasses and short train trips. Why can't you get it right? Why can't you get it right—the measures that you have set, the targets that your government has set. Why can't you get it right to meet your targets?

Ms HORNE: Look, thank you for your question. One of the points that you do raise was exactly about us raising the threshold from when the last contracts were in place. So MTM must—

Ms VALLENCE: So why haven't—

Ms HORNE: Sorry?

Ms VALLENCE: So why haven't the targets been met then? If you are raising those expectations, what are you doing to make sure those targets are being met, because clearly they are not?

Ms HORNE: So one of the things—

Ms VALLENCE: Your budget papers are showing that, and your data is showing that.

Ms HORNE: So are you finished asking a question?

Ms VALLENCE: Yes.

Ms HORNE: Okay. So under the last franchising agreements the operators would have actually met their targets. We raised the threshold to 92 per cent for MTM to meet that punctuality target. One of the key things, though, that we have done in these new contracts is actually increase the maintenance and renewal requirement. So there is more being spent on the maintenance and renewal, which really helps improve that punctuality and reliability of the service.

Ms VALLENCE: It is not improving. It is not improving the punctuality and reliability, Minister. Your data, the most recent data here in May, is showing there is a lot of red on this page—a lot of red on this page showing that there are many lines that have not met the punctuality targets. So why are we failing the targets that your government set? Why are they being failed and what are you doing to rectify that situation?

Ms HORNE: Well, as I said, we have increased the amount of maintenance and renewal spending that is occurring across the network. In fact I do not think there is a single weekend or night that goes on where there is not actually some work going on on the network. There are parts of the network that have not been touched in 50 or so years, and so making MTM invest back in the network to improve that—

Ms VALLENCE: Okay. So we cannot get an answer. Look, I will just quickly ask another question, given time. Minister, we understand you are undertaking a timetable review. Can you confirm that most suburban journeys under your proposed or draft timetables increased by 1 or 2 minutes on every line?

The CHAIR: Minister, you will have to take that question on notice, as we move onto the next member of the committee. That is Ms Richards, who has the call until 3.06 p.m.

Ms RICHARDS: Thank you, Chair. Thank you Minister, and thank you to the departmental officials for being here this afternoon. Minister, I am going to ask you about a really important element of our transport network. The tram network is in some ways iconic, but it is also a really important way that people move around. So I would like to refer you to budget paper 3, page 107, and I am interested in finding out how the initiatives outlined, the investment in the new E-class trams, will continue and how the government is going to improve the tram network for passengers?

Ms HORNE: Thank you very much for your question, and you are right: our tram network is absolutely iconic. In fact it is the biggest tram network in the world. Isn't that right, Jeroen?

Mr WEIMAR: It is indeed, yes.

Mr HIBBINS: Also the world's slowest.

Ms HORNE: So, look, and with more people—sorry?

Mr HIBBINS: Also the world's slowest, unfortunately.

Ms VALLENCE: Is that in the written *Hansard*? Ask Jeroen. Is that in the written response?

The CHAIR: That is because it is the biggest.

Ms HORNE: More distance to travel.

The CHAIR: Always glass half empty with you, Mr Hibbins, never glass half full.

Mr HIBBINS: Always looking for improvements.

The CHAIR: Well, you cannot celebrate the fact that we have got the world's largest tram network; you have to complain about it being slow.

Ms RICHARDS: It is a long way to Vermont.

Ms HORNE: With more people using our tram network it is really important that we continue investing in rolling stock. This year's budget includes \$162.8 million for 10 new modern, accessible, low floor E-class trams and the supporting infrastructure upgrades. E-class trams, as you would be aware, provide a lot more capacity and reliability as well as that really important disability access. They enable mobility-impaired users to board and alight independently. Audiovisual systems for sight and hearing-impaired passengers have also been incorporated. We know that for the year ending March 2019, total tram patronage was 205 million trips. We have also seen weekend patronage for the year ending March 2019 demonstrating strong passenger growth as well.

Look, we have continued to respond to this strong demand for tram services with the purchase of the additional 10 E-class trams in this year's budget. That will bring the total number of E-class trams to 100. So we will have the biggest and most accessible on the network, where we have already got 76 operating. This order of additional E-class trams builds on the 40 E-class trams already ordered by the government since 2015, and 27 of these trams are in service so far.

Ms RICHARDS: Thank you, Minister. Of course many of us at this end of the table are very focused on local jobs, so can you talk us through how this investment will support local jobs and what the government's ongoing commitment is?

Ms HORNE: Absolutely. In fact we have got a commitment to local jobs across all of our rolling stock, and the 2015 to 2025 Victorian rolling stock strategy sets out high-level rolling stock requirements for our train and tram networks over a decade. It outlines a pipeline of works that provides certainty to the rolling stock industry, supporting the creation of local jobs.

We are really well placed as an Australian hub for rolling stock construction, with three manufacturers now based in the state: Alstom, Bombardier and Downer in Newport—there is no interest like self-interest—in addition to rolling stock manufacturers and supporting the broader supply chain through smaller component firms. The building of E-class trams locally supports the retention of around 100 Victorian direct manufacturing jobs and about 500 jobs in the local supply chain. Victoria's wider rolling stock supply chain is estimated to employ up to 10 000 people. This investment has local content of 50 per cent, which will enable Victoria to maintain a highly skilled, locally engaged workforce and support the local rolling stock manufacturing industry.

Over the last five years, over the last five state budgets, the government has committed \$4.5 billion for a pipeline of new and upgraded rolling stock and supporting infrastructure to transform our public transport network. The government has created a planned and consistent pipeline of rolling stock orders, ensuring a secure future for local manufacturers. This in turn supports ongoing employment, offers transitional opportunities for automotive suppliers and their workforce and provides pathways for apprentices.

Ms RICHARDS: You touched on something before that is incredibly important, and that is being inclusive. I am interested in how this investment in these E-class trams will support disabled Victorians.

Ms HORNE: Sure. Only a couple of weeks ago Jeroen and I were on Sydney Road and Brunswick Street announcing three upgrades, which are part of these progressive upgrades we have got going across tram stops and on route 96. Approximately 18.4 per cent of Victorians have a disability, and it is really important to support all Victorians to access our public transport network. Our E-class trams are the most accessible, with those low floors, more Myki readers, better customer information and space for more than 200 passengers and they are approximately 33 metres long. The E-class trams will enable mobility-impaired users to board and alight independently and have that easy access, as I said, at platform stops. Audiovisual systems for sight and hearing-impaired passengers have also been incorporated. These latest models will have increased safety features as well, which include a new cab design, eight extra handrails, more handles, air-conditioning and dedicated spaces for passengers who use prams or mobility aids. I think that is part of the importance too of not only supporting disabled Victorians but there are a lot of parents with prams accessing the network, and whilst pushing a pram is a long time behind me—thank goodness—there are a lot of parents out there who need to use trams.

A tram stop accessibility strategy will also be developed with \$3.1 million of funding in the budget which will investigate options to streamline the design and construction of accessible tram stops and to prioritise construction of tram stop upgrades across the network. Some parts of our tram network are over 100 years old and have significant challenges to achieve full compliance with this legislation. It is really important, and we have seen working with councils in particular, to be able to get that infrastructure work in place.

Ms RICHARDS: You have just spoken then about some of the challenges that the network is facing. How will the government's investment support passengers?

Ms HORNE: As I said, we do have pressures on our tram network, and many of our trams are ageing beyond their service life and really need to be retired in coming years. That is why this ongoing investment in E-class trams is vital, because it gives us that extra capacity on our network. However, we need to keep our existing trams in good shape—

The CHAIR: Minister, I am sorry to have to cut you off, but it is time to move on to Mr Hibbins, who has the call until 3.15 p.m..

Mr HIBBINS: Thank you, Minister, and your team, for appearing today. Minister, we were made aware that you are the minister responsible for commercial rideshare, so I would like to ask: given that it has been announced that Melbourne will now be a launch site for Uber Air—announced seemingly without any consultation with residents around noise and visual pollution or safety—can I ask what undertakings have been given to Uber to secure this deal, whether regulatory, financial or other?

Ms HORNE: For Uber Air?

Mr HIBBINS: Correct.

The CHAIR: Sorry, Minister, I am going to have to interrupt. Besides the fact that I also have some corporate knowledge about this because it started under me as a minister in a previous government, it is actually now under the portfolio of the Treasurer in his capacity as the minister for investment.

Mr HIBBINS: My goodness!

The CHAIR: No, I am just telling you. I am just trying to be helpful.

Mr HIBBINS: But we literally got a presentation today—

The CHAIR: That is my middle name: Helpful.

Mr HIBBINS: Can I get confirmation from the minister—

The CHAIR: Sure. She can tell you the same thing.

Mr RIORDAN: She has nothing to do with that part of the public transport system.

Ms VALLENCE: The minister just said she looked she looked after it.

Ms HORNE: Sorry?

Mr HIBBINS: Are you the minister responsible for rideshare?

Ms VALLENCE: She just said yes to rideshare.

The CHAIR: I am talking about the announcement today that was made by the Treasurer under his portfolio of investment.

Ms HORNE: You are talking about Uber Air?

Mr HIBBINS: Correct.

The CHAIR: It is actually called Uber Elevate, but never mind. I am happy to help you with that too, Mr Hibbins.

Ms HORNE: In terms of regulation, it is actually regulated by the federal government. As exciting as it may be, we have had a broad discussion in terms of knowing that Uber Elevate was having some sort of launch, but you would have to refer to the Civil Aviation Safety Authority.

Mr HIBBINS: It has been reported today that the government strongly supports it. In fact a minister—the finance minister—flew out to Washington to secure the deal, so I guess the question that everyone would like to know is: what is the deal? What has been offered—put on the table—to secure this deal?

The CHAIR: Mr Hibbins, you will be able to put that as a question on notice to the Treasurer.

Mr HIBBINS: Can I ask: is there any indication about just how many—and these are the words I am using from the reports—flying taxis will actually be in the air as of 2023?

Ms HORNE: I would refer you to the Chair's comments, I am sorry.

Mr D O'BRIEN: See if you can get a written answer.

Mr HIBBINS: I will move on to—

The CHAIR: I offered Mr Hibbins to put a question on notice to the Treasurer, Mr O'Brien, because I told you: I am just helpful.

Mr HIBBINS: I will move on to trams, which I am confident is part of your portfolio. You mentioned previously the rolling stock strategy. My reading of the rolling stock strategy and comparing that to the orders in the budget is that the strategy says we will need 130 new trams by 2021, but only 100 trams by 2021, which is a shortfall of 30 trams. Is that correct?

Ms HORNE: As I said, actually just talking to Ms Richards, we have invested in this year's budget for an extra 10 E-class trams. We are also refurbishing many of the existing trams to be able to deploy them across the network.

Mr HIBBINS: So will you be on track to reach the target in your own strategy by 2021?

Ms HORNE: Look, we have got \$18.1 million for continued design and development of next-generation trams, and that is catering for the future growth of Melbourne's tram network.

Mr HIBBINS: Some of these initiatives around refurbished trams—are they replacing previous plans to have new trams? Is that why you are not meeting the new tram targets set out in your rolling stock strategy?

Ms HORNE: I think you have seen in this year's budget a pretty clear demonstration of our commitment to new rolling stock on the tram network as well as upgrading the existing fleet.

Mr HIBBINS: I appreciate that, but I am just trying to get an understanding about why the strategy says one thing—that we will need 130 new trams by 2021, but there is only 100 in the budget.

Ms HORNE: Well, there are 10 additional ones in the budget.

Mr HIBBINS: Well, it will only reach 100 in the budget.

Ms HORNE: Look, we have 106 million trips made every year in Melbourne on, as I said, our biggest tram network. We are progressively increasing our tram fleet, upgrading our tram fleet.

Mr HIBBINS: Can I ask in terms of the level access tram stops and the target of 16 per year—and I can echo the comments about people with prams needing to access trams, which is quite difficult in many areas, particularly in the Prahran electorate—

Mr RIORDAN: And juggling your two phones.

Mr HIBBINS: But that would still mean it would take about 80 years to complete the network, and my understanding is that the network should be completed but will not meet the requirements under the disability access act. Why is there such a large discrepancy between what is required in the act and what the rate of construction is?

Ms HORNE: Look, we have got the biggest tram network, as I said, and—as I referred to in my presentation beforehand—much of our infrastructure is old and has needed upgrading. I will give you a case, though, in point as to why there has been some delays in the upgrades, and that has been difficulties with councils, particularly up in Darebin. It was Darebin, wasn't it?

Mr WEIMAR: It was Darebin. That is right, yes.

Mr RIORDAN: That's Darebin—difficult.

Ms HORNE: Being able to get those planning applications in place to be able to do upgrade those tram stops, but I can give you some of the details.

Mr HIBBINS: Four—that was four.

Ms HORNE: Excuse me?

Mr HIBBINS: That was four tram stops.

Ms HORNE: That is right, and it is a progressive rollout across the network, as I mentioned before. Route 96—we have got stops 16, 17, 18, 20, 21, 22 and 25—that is southbound on Kay Street and Brunswick Road.

Mr HIBBINS: Did you say that you are now preparing a strategy for level access removals? Is that correct?

Ms HORNE: Sorry?

Mr HIBBINS: Sorry, a strategy for level access stops—is that being developed?

Ms HORNE: I can pass you to Jeroen to be able to take you through the details of exactly what that strategy looks like.

Mr WEIMAR: As the minister said, we have around 467 level access stops currently within the Melbourne tram network. There are about 1700 stops in total, so we have a number of ways to go to deal with the rest of the network. There are two things we are doing at the moment, one of which is that within the current Yarra Trams franchise agreement they are working on a series of options for us around: what are the alternative routes to developing an accessible framework for our current tram network? Melbourne is almost unique in the world of a streetcar system whereby we are trying to provide access to a streetcar system which is very different to the light rail systems that we see being developed in most other cities around the world, so we have this legacy of this wonderful historic network to bring to bear. Our primary approach will continue to be working on introducing level access stops where we can do so and, as the minister has said, that requires a lot of extensive negotiation and consultation with local authorities to ensure we introduce those in a way which is effective in terms of the local transport environment. But we are looking for alternative routes around that. Some funding has been set aside in this year's budget again to look at alternative options for how we bring in both within the current rolling stock and future rolling stock alternative ways of providing access for those people who need it.

Mr HIBBINS: I will just take you back to rolling stock, and one of your answers actually interested me. My understanding from the previous budget is that there was actually a business case being developed looking into the next generation of new trams. Has that been completed? Has that taken place?

Mr WEIMAR: There is work ongoing at the moment on the design work around the next generation tram. That design work is funded and continues to progress apace. The focus for that work is particularly around identifying a smaller alternative tram to the E-class. One of the beauties of the E-class is that it is a great hauler of a large number of people on the bigger, heavily utilised routes. What Melbourne also of course has is a quite extensive inner suburban network which is quite difficult to run such large trams along. It has got lots of tight turns, lots of tight corners to work through, and of course we have a number of quite small depots across our network. So the next generation tram project is looking at how we can introduce or whether we can introduce a smaller accessible tram that would be more suitable for those inner suburban areas.

Mr HIBBINS: When is that due to be completed by?

Mr WEIMAR: Oh, that work—

The CHAIR: Just one second. Just to show you how helpful I have been, I have let you go into my time. However, it is my time but I am ceding it to Gary from Narre. Over to you, Mr Maas.

Mr MAAS: Minister, could I take you to the topic of the VLocity trains and refer you to budget paper 3, page 107, and ask you to please explain how the government's order of those VLocity trains will support regional communities.

Ms HORNE: Look, I would be delighted to, and thank you very much for your question because V/Line is carrying almost 44 per cent more passengers compared to 2015 when the regional rail link was opened. We are continuing our investment in V/Line so that we can maintain performance to meet growing passenger expectations, improve infrastructure and add new trains and more services. We have added, since 2014, more than 500 new V/Line services, and as we have added more services, we continue our investment in rolling stock to meet increased demand as we retire our ageing classic fleet. It is why in this year's budget we are providing \$340 million to purchase 18 new three-car sets. That is 54 carriages in total and they will be continually delivered into service to boost our regional fleets and support local jobs.

One of the most exciting things about these new VLocitys is that some of them will have standard gauge bogies. That means for the first time VLocitys will be able to run on the north-east line and that will be a fantastic investment by this government for the north-east line. We have already ordered 87 VLocity carriages, which is really boosting our regional fleet and also supporting local jobs. Some of the things that the new VLocity trains will have include accessibility improvements and mobile phone signalling boosting technology. Since 2015 we have invested over \$1 billion in 141 VLocity carriages, so that is 47 three-car trains, and the supporting infrastructure for the regional rail network. We want to get on with the job of meeting passenger demand. As I said, we have had 44 per cent more passengers using the V/Line services and we know that regional Victorians are looking for that greater reliability and frequency, and that is what this new rolling stock will help deliver.

Mr MAAS: You have already mentioned that there will be additional services, but can you outline how the investment in the VLocity trains will benefit passengers and what lines they will run on as well.

Ms HORNE: Sure. As I said, there are 18 more VLocity trains for the regional network, and we will put them on our busiest lines and also replace the ageing classic fleet. Where our busiest lines will be is Geelong, Ballarat and the north-east line. As I said, they will have that sort of latest technology and latest design, which is accessibility improvements, mobile phone signalling boosting technology, which makes it really handy for people who are choosing to commute long distances and work as well on that train. They are fully compliant with the disability standards for accessible public transport, and they will have things like wider toilet doors for wheelchair access, hearing loop technology, automatic announcements and new floor markings and handrails. This will give those structural improvements to better protect driver and cab structure in the case of incidents, and carriages have been futureproofed to enable the fitting of high-capacity signalling.

Mr MAAS: Can you also talk us through how the investment in those VLocity trains will also support local jobs?

Ms HORNE: Look, thank you. As you would be aware, we have got an industry participation policy, the Victorian Industry Participation Policy, which is about securing local Victorian jobs. The VLocity trains are being built right here in Victoria, with 60 per cent local content. They are manufactured by Bombardier in Dandenong, in Melbourne's south-east, and that supports about 100 direct jobs and 400 jobs in the local supply chain. Because we have got a consistent supply of rolling stock orders, this gives the assurity to local industry and makes sure that local manufacturers can actually plan for the future. It makes sure that we have got transitional opportunities for automotive suppliers and their workforce and provides pathways for apprentices. We are also delivering the VLocity refresh project, which will update the existing fleet of the 75 VLocity regional trains to improve accessibility, comfort and reliability.

Mr MAAS: And just the last question on the investment in those VLocity trains. How will that investment help retire the classic fleet?

Ms HORNE: Look, the classic fleet still plays a really important role on our network and it is delivering the services where VLocity trains currently cannot run. V/Line operates a classic fleet that includes loco-hauled carriages and sprinter railcars. V/Line's long-term plan is to retire that classic fleet and replace these with modern trains. Previous budgets have provided funding for maintenance and refurb to improve the safety, amenity and reliability of the classic fleet. These works are expected to be completed in mid-2020. V/Line is implementing this program of repairs and overhauls in line with its planned maintenance schedule, and as the program continues, improvements to the upgrade of trains will contribute to a reduction in cancellations. Our ongoing investment in regional rolling stock, included in this year's budget announcement at 18 new trains, will help see that classic fleet replaced.

Mr MAAS: I would like to take you the topic of driver recruitment—

The CHAIR: Mr Maas, I apologise for interrupting, but we are now moving into the time of Mr O'Brien.

Mr D O'BRIEN: If it assists the committee and Mr Maas, I think the answer was written, so if the minister wants to table it, we would be happy to accommodate that as well.

The CHAIR: I think that is very unkind of you, Mr O'Brien.

Mr D O'BRIEN: I am just responding—

The CHAIR: Given that I have been helpful in my demeanour—

Mr D O'BRIEN: Thank you, Chair.

The CHAIR: we should all be helpful.

Mr D O'BRIEN: Minister, I just want to go back to Ms Vallenge's last question. The question was that we understand there is a timetable review currently happening for Metro Trains and that the draft shows that most suburban journeys under the proposed timetables increased by 1 or 2 minutes. Can you confirm that?

Ms HORNE: Look, there is a timetable undertaken, but can I ask what budget paper you are referring to?

Mr D O'BRIEN: I am referring to budget paper 3, page 332, the performance measure about service punctuality, but it is a question about draft timetables.

Ms HORNE: Right. As you would be aware—hang on one sec, let me just refer to—

Mr RIORDAN: Are you aware of the draft timetables?

Ms HORNE: Look, there was money allocated in the budget to actually undertake some work that is planning for when we have delivered the Big Build and really operationalised those services and get new services and more services across the network.

Ms VALLENCE: But can you guarantee that there will not be increased times to reach the full route destination?

Ms HORNE: Well, I am happy to direct you to Jeroen to talk you through exactly how timetabling is worked out, but we are actually about putting more services on the network because, as I—

Mr D O'BRIEN: It is not about more services, Minister. The question is: does the new draft timetable include an increase of 1 to 2 minutes for every line on the metro system?

Ms HORNE: Sorry, I think your question is actually a little counterintuitive in that by putting more services—

Mr D O'BRIEN: It is not my question. I am just asking the question, Minister.

Ms VALLENCE: Will it take longer to get to where you need to go—yes or no?

Ms HORNE: We are putting more services. We have more people travelling on the network. We are about putting more services, but what I am happy to do is—

Ms VALLENCE: So you will not reject the draft timetables that are adding 1 or 2 minutes?

Ms HORNE: Sorry, would you like me to finish answering the question?

Ms VALLENCE: Yes, we would like you to finish answering the question.

Mr D O'BRIEN: Well, we would like you to answer the question.

The CHAIR: Ms Vallenge, you are eating into Mr O'Brien's time. I am trying to be helpful here. Mr O'Brien to continue unassisted.

Ms HORNE: I am happy to get Jeroen to talk you through how a timetable is developed.

Mr D O'BRIEN: Sorry, with respect, Minister and Mr Weimar, I am not interested in how a timetable is developed. I am just wanting to know if there are draft timetables out that indicate increases in the amount of time on all metro lines. I have not got an answer to that. Could I request therefore, though, that the committee be provided with any draft timetables that are currently under discussion by the department?

Ms HORNE: We are committed to delivering more services to cater for—

Mr D O'BRIEN: I understand that, Minister.

Ms HORNE: the additional capacity on the network.

Mr D O'BRIEN: I am asking a straightforward question. You can say yes or no—it is up to you. Can we have draft timetables that are being considered by the government?

Ms HORNE: There is no draft timetable before me that is being considered.

Mr D O'BRIEN: Okay, I will move on. Minister, the same budget paper reference, the Cranbourne and Pakenham lines have not met the punctuality targets for Metro Trains once this year—so five out of five months so far this year there has been 100 per cent fail on punctuality. This is of course the line that has had \$1.8 billion, we believe—the Minister for Transport Infrastructure will not tell us—on level crossing removals. How is it that we have spent so much money, much of it described as being improving services for train travellers, and yet we have not met punctuality on that line once?

Ms HORNE: This year?

Mr D O'BRIEN: This year.

Ms HORNE: As you can appreciate, and as you refer to the Minister for Transport Infrastructure and the work that has been undertaken on the Cranbourne line, it has been extensive, and there have been a number of planned disruptions that have occurred on that, which obviously impact passenger experience. And that is what I said during my presentation—that that is where my responsibility lies.

Mr D O'BRIEN: But the work on the level crossing removals was completed last year, was it not? And yet there has been no improvement to punctuality.

Ms HORNE: I am sorry; I am not responsible for the level crossing removal.

Mr D O'BRIEN: But you are responsible for punctuality of the trains?

Ms HORNE: Absolutely. And, as I said, level crossing removal is not the only work that has occurred on those train lines, but—

Mr D O'BRIEN: So when there is a disruption through construction or something, is that not exempted from the punctuality targets?

Ms HORNE: Yes. And there have also been a number of unplanned disruptions too. Does more need to happen? Can we improve? Absolutely. But this is something—we have got the tougher new contracts in place, but—

Mr D O'BRIEN: Thank you. I will move on. You have just answered Mr Maas's question about VLocity trains. You have said that those VLocity trains, which the government promised—the 18 new train sets—would go to Geelong and Ballarat. You are now saying they will also go to the north-east. How many of the trains will be for the north-east?

Ms HORNE: Look, we need to do the work to make sure that we know what that train timetable is, and that service provision will be required. But we have got a commitment of \$345 million for the new VLocity trains, for 54 new cars, some of which will be standard gauge. It is pretty exciting.

Mr D O'BRIEN: That is the question we are asking, Minister. How many of them? There are 18. You know how many. You know how much money. You have been planning. The previous minister has told us for the last four years you have been designing these trains for the standard gauge line. So how many of the VLocitys will be for the north-east?

The CHAIR: That is not entirely fair, Mr O'Brien. You said for the last four years. She has been a member of Parliament for six months.

Mr D O'BRIEN: I said for the previous minister, Chair, if you were listening. Please, Minister, is there an answer?

The CHAIR: That is my point, Mr O'Brien.

Mr D O'BRIEN: I just want to get an answer. How many of the 18 will be for the north-east line, Minister?

Ms HORNE: Exact allocations are yet to be confirmed, but what we have guaranteed is that when the ARTC has that track upgraded we will have standard gauge VLocitys ready to roll on that. It is so exciting for people of the north.

Mr D O'BRIEN: So how long will that take, Minister? When will they be delivered?

Ms HORNE: Well, as I said, when the ARTC—and that is a federal body—have the track upgraded, which they are saying is sometime in 2021, we will have those standard gauge VLocitys ready to roll out on that network.

Mr D O'BRIEN: Okay, but you do not need to wait for the ARTC to do the work. You are ordering these trains now. Presumably there is funding in the budget for these 18, and you made the commitment back in October-November last year. The question still remains. You promised them for Geelong and Ballarat. They are now apparently going to get less because there are some going to the north-east, so how many will actually go to the north-east? Has that been decided?

Ms HORNE: There is most certainly the funding, as you can read in the budget papers—that \$340 million. At the moment the way that the service works on the north-east line is that we have got four locos going each way. But let us actually have a look at what the growth of the corridor is. We have got Ballarat and Geelong also growing. We need to work out what the—

Mr D O'BRIEN: So you do not know how many of the 18 are going to be for the north-east line, because they have got to be very distinct because they are standard gauge.

Ms HORNE: That is right. Well, the bogies are standard gauge; that is correct.

Mr D O'BRIEN: Okay. We will get an answer on that. How many will be for the Shepparton line?

Ms HORNE: We are still working through what that allocation will be and what that timetable will look like.

Mr D O'BRIEN: But based on your answer before you said the busiest lines—Ballarat, Geelong and north-east. So will any go on the Shepparton line at all?

Ms HORNE: We have had a longstanding commitment to deliver standard gauge VLocitys on that north-east line as well as it boosting services.

Mr RIORDAN: As a permanent replacement for that service?

Ms HORNE: Yes.

The CHAIR: You are eating into Mr O'Brien's time, Deputy Chair.

Mr D O'BRIEN: When was the order placed, Minister?

Ms HORNE: We are going through that design.

Ms VALLENCE: When was the order placed?

Ms HORNE: We have placed the early works order.

Mr D O'BRIEN: Has an order been placed for these new trains?

Ms HORNE: I need to refer procurement advice to the secretary.

Mr YOUNIS: There is a fair bit of design work still to be done to get the standard gauge to work on the VLocity trains. The order for the design work and the purchase of some long-lead items has been made, and we will be placing an order for 18 standard gauge VLocitys. Government can still make a decision in the future on

how many of those VLocitys go to standard gauge or broad gauge. That is a decision for government that we can make through the design process in the next six to 12 months.

Ms STITT: Thank you, Minister, and departmental officials here today. Minister, I wanted to ask you about the very important driver recruitment and training program that you are overseeing and take you to budget paper 3, page 107. Are you able to explain, firstly, why the need for more drivers and what you are doing to ensure that there will be enough drivers across the network?

Ms HORNE: Sure, and thank you very much, because there is nothing I enjoy more than actually going out and meeting new drivers. Only a couple of weeks ago I was down on Flinders Street station because Metro is actually out there with a driver recruitment program right now that is trying to get more women drivers on the network. It was terrific. I was down there meeting some young women who are out there. Some have changed career. There was an art student. I think there was someone who used to be a nurse. There was a mum there with her 13-year-old daughter who had waggged school for the day to actually come out and celebrate that there is a whole heap more women going into train driving. And that is because we are delivering more services, which is why we need more train drivers. That is why this budget has allocated \$111 million to recruit and upskill train drivers. One of the most important things about upskilling those train drivers is that it is getting them ready for the new high-capacity Metro Trains. That was one of the things that these people were so excited about—getting out there and being able to drive very soon on the network.

So since being elected in 2014 we have added 567, I think, additional V/Line services, and for those services we need new drivers. And we have got \$205 million to run more services on our entire public transport network. So by the end of 2020 there will be a 20 per cent increase in V/Line drivers, but we are also going to have many more Metro drivers as well. And that is what this budget helps achieve.

Ms STITT: Terrific. Can you outline the process for recruiting and training drivers?

Ms HORNE: Look, it is unbelievably competitive, I have got to say. Talking to some of these women down on platform 1, they were saying that in the process they needed to go through there was psychometric testing; there were more than 10 000 people, I think, that had applied in the first instance. And that was just for 100 jobs. So, as I said, it is incredibly competitive. Metro puts the drivers through about a 44-week training program. That is both theory and practical based. That takes a lot of time because we need to make sure that safety, as you raised before, is absolutely paramount on our system, and we can actually make sure that people driving those trains are doing it and are well trained.

The really cool thing I saw, though, a few months ago—and they were V/Line train drivers—was at the train simulator centre down in Docklands. Honestly it is like being in a 3-D gaming model where you are sitting there in a total simulation of how to drive a train around the network. And, again, the train driver that I saw, the trainee train driver that I met down there, was so excited to be out there driving on the network. It was fantastic.

Ms STITT: You talked a little bit about targeting women for train driving roles. Can you talk a little bit about this diversity, and do you have a particular recruitment number in mind? Have you got other groups that you are trying to target to recruit into these key roles?

Ms HORNE: One of the key things with transport is that we have got a predominantly male-based workforce. Many of them too are ageing, and are that profile of older men. It is great to be able to drive that diversity through progressive policies and making sure that there is active targeting of women during recruitment processes. There is some simple stuff too. Just the other day I was sitting down talking to the CEO of V/Line and he was saying, ‘Minister, I would love to get more women driving trains’. So what he has actually done is an audit across the V/Line network, making sure that there are women’s change rooms, making sure that there are women’s toilets—those sorts of simple facilities. And that is what he is going out there and investing in, because that actually helps encourage women on the network as well.

The CHAIR: Thank you, Minister. We now move on to the Deputy Chair.

Mr RIORDAN: Starting with Mr O’Brien.

Mr D O'BRIEN: I am just going to start briefly. Minister, to go back to my previous lot of questioning about the VLocitys, in terms of the design you were talking about, have we got confirmation that the new VLocitys for the north-east line will include buffet service and luggage areas?

Ms HORNE: Yes.

Mr D O'BRIEN: Has the design been completed?

Ms HORNE: The design is still—the early works are underway, as the secretary said before.

Mr D O'BRIEN: Has the design been completed, though, is what I am asking? So you know exactly what is going to be on the trains?

Ms HORNE: Well, they are part of the specifications, aren't they?

Mr YOUNIS: Yes, it is part of the design. We are still working that through.

Mr D O'BRIEN: Have they been released? And, if not, can they be provided to the committee?

Mr YOUNIS: Not yet. We are still working it through.

Mr D O'BRIEN: So they are finished, but we cannot see them.

Ms HORNE: When we are ready to release the design of the VLocity trains, we will.

Mr D O'BRIEN: Okay.

Mr RIORDAN: And it is great today to see Mr Weimar in person rather than his dulcet tones on 774. My question to the minister is regarding budget paper 4, page 160, and it deals with regional rail revival. The upgrade of stage 1 of the Shepparton line is running three years late, the Ballarat line has blown out by six months, the time frame for the Warrnambool line upgrade has blown out by one and a half years and the Geelong line upgrade is a year late. Minister, can you explain these delays?

Ms HORNE: Regional rail revival was a matter for and is being delivered by the Minister for Transport Infrastructure.

Mr RIORDAN: Right, so it has got nothing to do with you. It is obviously impacting on your services.

Ms HORNE: It is actually being delivered by the Minister for Transport Infrastructure.

Mr RIORDAN: Okay. Minister, you said in your opening that you wanted to 'put passengers at the heart of the system'. Can you explain why regional Victoria is 25 per cent of the state's population, yet only 4 per cent of the public transport budget has been allocated outside of Melbourne, and can you explain why country communities are receiving only a fifth of what they deserve?

Ms HORNE: I appreciate your question. I suppose there are a couple of things that I would—

Mr RIORDAN: We are still on paper tickets, for example.

Ms HORNE: Well, as you would be aware, say, for example, on the Warrnambool line, we have delivered 12 extra weekly services. One of the important things, though, is that there needs to actually be more capacity delivered over the entire network. We have got in this year's budget—

Mr RIORDAN: No, that is not the question. The question is about the way you have decided to carve up the allocation of funding, and for 25 per cent of the population you are just allocating 4 per cent of the budget. You have made it clear today that you cannot yet tell country people where the trains—

At last year's election you sprinkled around promises of VLocity trains to every community north, south, east and west of Melbourne, and sitting here today you cannot confirm where those trains are going. In fact you cannot even confirm that they have started, and you will not even show us the plans of what they look like. So

forgive us for being sceptical about whether you are delivering on that. But if that makes up the 4 per cent of commitment then we have still got a long way to go to seeing any benefit for rural and regional Victorians.

Ms HORNE: Look, I am not entirely sure how you are calculating the 4 per cent. However, what I can say, and we have just had a discussion about \$340 million that is being committed in these budget papers to 54 new VLocity carriages—

Mr RIORDAN: But you are not telling us where they are going, Minister.

Ms HORNE: I have told you exactly where they are going. They are going on the Geelong, Ballarat and north-east lines.

Mr RIORDAN: So moving on, Minister, last year the government promised nine return services on the Shepparton line by mid-2021. Are you still committed to these service levels, and what is the time frame?

Ms HORNE: I think you answered that question—by mid-2021.

Mr D O'BRIEN: The question was are you still committed to it?

Mr RIORDAN: Are you still committed?

Ms HORNE: Yes.

Mr RIORDAN: And what is the time frame for that?

Ms HORNE: Delivery by mid-2021, as you said.

Mr RIORDAN: Okay. Minister, can you confirm that stage 2 will facilitate the return of nine services a day as was indicated by your predecessor in press releases on 1 May and 30 July last year?

Ms HORNE: Sorry, on what line are you talking about?

Mr RIORDAN: On the Shepparton line.

Ms HORNE: There have been 10 extra weekly services since 2017.

Mr D O'BRIEN: Weekly. We are talking daily, Minister.

Ms HORNE: I need to talk to Jeroen about what those service provisions are.

Mr D O'BRIEN: Minister Allan promised last year nine services a day for Shepparton by 2021.

Mr WEIMAR: As the minister has confirmed, we are committed to delivering the nine services by mid-2021.

Mr D O'BRIEN: Sorry, Mr Weimar, can you just—

Mr WEIMAR: Sorry. As the minister has confirmed earlier, we are committed to working on future timetable changes that will deliver those services by 2021.

Mr RIORDAN: Customer satisfaction with V/Line, Minister, has fallen to a 10-year low. This year's budget shows the expected outcome for 2018–19 for customer satisfaction with regional train services is a score of 74. Minister, can you explain why customer satisfaction has been decreasing steadily over the past three years?

Ms HORNE: Well, look, customer satisfaction—

Mr RIORDAN: Would it have anything to do with the ongoing patching up of your classic fleet?

Ms HORNE: Certainly we have got more people using V/Line services than ever before. And as I have said previously, we have got 44 per cent more people using V/Line—passengers. Look, I am happy to acknowledge that V/Line needs to be able to continue to build the capability and capacity to deliver more regional services, and there is absolutely more that needs to be done. But we have got a successive plan of investing in V/Line to be able to deliver those services because, as you have pointed out that I have said, it is putting those customers at the heart and putting those passengers at the heart.

Mr RIORDAN: Minister, do you think that the lack of satisfaction stems from promises that you have made, once again on the Shepparton line, when you are telling them that the job is going to get done but they are still running—the upgrades that were supposed to be finished for December 22 are still running six months late?

Ms HORNE: I am sorry, I am not here to answer hypothetical questions. You are asking for a hypothetical or my opinion here.

Mr RIORDAN: We have learned today, Minister, that there have been commitments for VLocitys but you cannot tell us where they are going, we have had commitments for VLocitys but you cannot tell which gauge they are going to be built to, we have had commitments to the Warrnambool line, which is my line of course, and that has been shelved completely for the foreseeable future—there is no indication when Warrnambool will see a VLocity train. So you have got the people travelling the furthest who need access to better and safer and more efficient services being forced to wait the longest while you, it seems, proudly trumpet the fact you are patching up the classic collection of trains.

Mr D O'BRIEN: Can I assist, Minister? The question Mr Riordan was trying to get to is: the Shepparton community was told the stage 1 would be completed by July this year, of their upgrade. It is now, according to the budget papers, three years behind schedule. What has happened, and can the Shepparton community trust you that you will deliver the nine services you promised and that the upgrade will go ahead as planned?

Ms HORNE: So let us be clear. As I have said, we have given a commitment that those additional nine services will occur. We have given a commitment—and there is money in the budget papers—that there will be standard gauge VLocitys on that train line.

Mr D O'BRIEN: On the Shepparton line?

Ms HORNE: However, in terms of the upgrades of the tracks that are occurring, that is part of the Regional Rail Revival and it is under the transport infrastructure minister's auspices.

Mr D O'BRIEN: I understand that, but you are responsible for the services and the punctuality and everything. You cannot deliver a commitment to nine services if Minister Allan has not delivered her part of it. So the second part of my question then is: stage 2 of the Shepparton line is also, according to the budget papers, delayed six months. Are you now saying to the Shepparton community that those promises that the government has made will be delayed?

The CHAIR: Mr O'Brien, I have gone well into the government time to allow you to have that question, and so I will face some serious repercussions personally if I do not pass over to Mr Richardson. Thus, Mr Richardson, for my own health and wellbeing, over to you.

Mr RICHARDSON: Thank you, Minister, for your time today. Is it not great to be talking about services being upgraded rather than services being reduced, in that line of conversation? Minister, along the conversation line that you had with Ms Stitt before, I want to take you back to budget paper 3 at page 107. Talking about more drivers, more investment in this area, how does investing in more drivers support regional communities?

Ms HORNE: Investing in more drivers is critical to support regional communities because what we need is, with more train drivers in particular—and that is what you are talking about, isn't it, Mr Richardson?

Mr RICHARDSON: Yes.

Ms HORNE: By investing in more regional train drivers we can actually deliver more services. As we have seen, we have over the last five years put 567 additional weekday services out on the network. We need a lot more drivers to be able to deliver those services.

Mr RICHARDSON: That is substantial. Something I want to take you to is bus services in the community, obviously along the Frankston train line, and the interaction with buses is critical in improving those services. Again taking you to budget paper 3 at page 107, can you take the committee through the benefit of this and talk through what benefits the Better Buses Fund will have for Victorians?

Ms HORNE: Sure. Thank you very much. Buses play an incredibly important role in our public transport network, not only in day-to-day services, but really providing that sort of heavy lifting during the disruption peaks, and we are getting on with the job of undertaking the biggest build across the public transport network. Buses provide access to employment, education, health services and connecting communities. As I said, they provide that much-needed opportunity to be able to connect people to train stations and that agility to be able to move around the network without the need for that heavy infrastructure. Whilst we are getting on with the job of building new train lines, upgrading train lines—those sort of things—buses can actually do that, that heavy lifting.

So this \$10 million Better Buses Fund will see new and enhanced bus services, and the routes that they are doing. They will connect to trains in Romsey and Lancefield; we will have a new bus service linking Mernda and Craigieburn stations, because as you would be aware, under the last term of the government we extended the train line to Mernda, and so getting those bus services to and from Mernda is really critical. If you have not been up and seen the Mernda train station, I would strongly recommend that you did. I was up there with the member for Yan Yean the other day, and actually the new bus interchange there is first-class—really easy, with a great passenger display, very easy to get around and good connectivity with the train timetable.

In this Better Buses Fund there is a new bus service that will connect Donnybrook to Craigieburn, a new bus service for Keysborough, an express service from Eltham to the city during the Hurstbridge line works, which will be fantastic—we trialled that actually during I think the removal of the level crossing up there, wasn't it, Jeroen?

Mr WEIMAR: That is right, yes.

Ms HORNE: And a new bus service from Alexandra to Eildon. This is building on last year's budget of bus service improvements at Moorabbin, Northland, Werribee, Niddrie, Victoria Park and between Carrum Downs and Cranbourne.

Mr RICHARDSON: Thanks, Minister. I was really interested in your slide as well on the increase in patronage on the train network over the last 15 years and obviously how that complements the network of our bus services. Can you update this committee on what initiatives this government has to increase buses across the network?

Ms HORNE: The other day it was exciting to announce there is a new hybrid bus technology that we are deploying, and that is 50 new hybrid buses that will be out across the network. Some of those will be in the western suburbs where we have got a pretty ageing fleet of Transdev services, so to be able to get those new buses out there will be terrific.

A few weeks ago as well I was out in the Latrobe Valley having a look at some new hybrid buses that are being trialled out there. Some of the innovation that is going on through buses is absolutely astonishing. As I said, buses can give us that agility to get around the network and get more people. We have got a growing population that needs to be able to access more and more public transport, so to be able to get people out on the network using buses is incredibly important.

Our new 50 hybrid buses are in the CDC bus fleet. That is actually the single biggest order of hybrid buses in Australia. The construction—again, it is a good-news story for jobs here—and fit-out of these new buses will be in Dandenong by Volgren, supporting Victorian jobs and backing the local automotive industry. Some of the things about these buses too is they will have low-floor layouts, making it easier for people to get on and off them, particularly people who may be mobility impaired or have prams. Another thing too is that they will have

Euro 6 emission standards. Euro 6 is the cleanest diesel fuel that you can have, and that is really important too for particulate matter in our air.

The CHAIR: Minister, sorry to interrupt you, but your time has come to a close for this portfolio. Thank you very much to you and your officials for appearing before the committee today. The committee will follow-up on questions taken on notice in writing and responses will be required within 10 working days of the committee's request.

The committee will now take a short break of 5 minutes. If I can alert my committee members, that means that we can move the agenda up by 5 minutes, so instead of returning at 4.05 p.m. we will resume at 4.00 p.m. sharp. I declare this hearing adjourned.

Witnesses withdrew.